

**CALIFORNIA ENERGY COMMISSION**

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March 25, 2004

Dear Colleagues:

**RE: REPORT ON FIRST MEETING OF THE  
NATURAL GAS WELL PERMITTING WORKING GROUP**

On February 25, 2004 the first meeting of the Northern California Natural Gas Well Regulatory Working Group (work group) was held at the California Energy Commission (Energy Commission). There were 17 participants present from industry, the regulatory community, and representatives from the legislature. A list of participants along with their phone numbers is attached to this report.

The meeting was chaired by Dave Maul, Office Manager of the Natural Gas and Special Projects Office of the Energy Commission. A productive discussion took place. The inaugural meeting was the result of two workshops held in 2003 that examined ways to increase the production of in-state natural gas, and to make the permitting process more efficient.

### **Mission and Goals**

The following mission statement and goals were discussed and agreed to by the work group.

#### **Mission Statement**

Establish close coordination and cooperation between industry and various regulatory (local, state, and federal) agencies responsible for issuing natural gas well drilling permits.

#### **Goals**

- Identify permitting responsibilities for various regulatory agencies.
- Identify permitting impediments and increase the efficiency of the permitting process.
- Establish a support network to ensure that all affected agencies can operate efficiently and complete their work in a timely manner.
- Provide clear guidance to Natural Gas Producers on the permitting process.
- Increase or enhance in-state production.

Natural Gas Well Permitting Working Group

There was unanimous agreement that federal agencies must be involved in the working group. The U.S. Army Corps of Engineers, U.S. Fish and Wildlife, and National Marine Fisheries will be sent a copy of this report and those federal agencies will be contacted by the Energy Commission to solicit and gain their participation.

Presentations were made by Contra Costa County, Bay Conservation Development Commission (BCDC), and the California Department of Fish and Game (CDFG). Each agency presented a summary of their permitting requirements.

## **RESULTS**

The attendees of the work group suggested the following improvements to the permitting process:

- CDFG will compile their requirements on biota,
- Energy Commission will ask for permitting package from each affected county,
- Division of Oil, Gas and Geothermal Resources will provide training for permitting staff at Contra Costa County,
- Bob Booher will help Contra Costa County prepare permitting information package,
- Rock Zierman will provide noise level (adjacent to drilling and production equipment) measurements to counties
- Concurrent review, especially with Army Corps of Engineers will be explored,
- Use of a Memorandum of Understanding between state and federal agencies to standardize permitting requirements will be investigated,
- Legislate finite time limits for permits to be approved,
- Explore whether private companies could help counties get their permitting work done,
- Drilling and production site tours for regulatory agencies will be conducted to familiarize regulatory staff with those operations,

- Permitting information will be compiled on a web site,
- A hand book contact list for permitting natural gas wells will be compiled,
- Expediting permitting for natural gas wells by paying higher fees will be evaluated,

#### **NEXT MEETING**

These and other recommendations will be explored in future meetings. In addition, subcommittees will be formed to deal with specific issues presented above. The next meeting of the group is scheduled for April 12, 2004 at the Contra Costa County Public Works offices in Martinez, California.

If you have any questions, please contact Mike Purcell at 916-654-4048.